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SUBJECT: A WINDOW ON CORRUPTION: THE CASE OF VETERINARIAN VOLKOV

REF: A. 06 MOSCOW 3101

[¶](#)B. 03 MOSCOW 16726

Classified By: Allan Mustard, AgMinCouns, for reasons 1.4(b) and (d)

[¶](#)1. (C) SUMMARY: The November arrest and indictment of Moscow Oblast's chief veterinary officer briefly opened a window on the scope of corruption in Russia's memorably crooked federal veterinary service. Accused along with three colleagues of extortion, the now ex-CVO's case is scarcely one of a crackdown on corruption. It is, rather, a case of laying down a marker on the tolerable limits of official graft. END SUMMARY.

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[¶](#)2. (SBU) Russian media reports on the November 19, 2007, arrest of Aleksey Volkov, chief veterinary officer of Moscow Oblast, and three of his colleagues were supplemented by a 20-minute national television expose, including broadcast of hidden-camera footage and recordings of telephone wiretaps, on Channel 1's police blotter program, "Chelovek i zakon" ("Man and the Law"), December 20. Volkov and his colleagues were recorded soliciting bribes from importers of meat products subject to veterinary inspection, among other criminal acts. The main charge against him, however, is extortion of a financial interest worth 16 million rubles (about USD 750,000) in the Zabolotskiy hunting preserve, which had applied for license renewal. Volkov made it clear the license would only be renewed if members of his family became half-owners of the enterprise. With cameras and recorders rolling, Volkov, his general counsel, Roman Slesarenko; another legal counselor, Vyacheslav Ragulin; and subordinate Sergiyev Posad rayon inspector Andrey Orlov were taken into custody. Among items of evidence seized was a contract transferring half ownership of the Zabolotskiy preserve to Orlov's father-in-law. The TV footage includes exterior shots of Volkov's private villa and the two-storey house he built as a dog kennel.

REPEAT OFFENDER

[¶](#)3. (SBU) Volkov was arrested in January 2006, held for a

month, then released when the charges were dropped in an unrelated case. At that time he was accused of accepting a USD 25,000 bribe from an importer of Ukrainian-origin mechanically deboned chicken meat, then subject to an import ban due to avian influenza. Following Volkov's arrest in that case, he said in the presence of reporters that he did not get to keep most of the money, it went up the chain. The charges in the 2006 case were allegedly dropped because the principal witness subsequently recanted statements made to the procuracy. Volkov's release for lack of evidence in the 2006 case raised eyebrows. The assumption among Moscow's agricultural cognoscenti was that somebody threatened the witness into withdrawing his testimony.

¶4. (SBU) Volkov's release set the stage for his re-arrest almost two years later, after strong-arming the Zabolotskiy game preserve's management into agreeing to transfer at a fire-sale price half the preserve's ownership in return for having its license renewed. By this time the procuracy had Volkov in its sights. Furthermore, Volkov may well have committed a tactical blunder in going after a privatized hunting preserve operated for the benefit of the "Inter-Regional Military-Hunting Society of the General Staff of the Russian Federation Armed Forces." The manager of the Zabolotskiy hunting preserve, knowing he would be backed by Russia's highest-ranking military officers, went straight to the Ministry of Internal Affairs to report Volkov's extortion attempt. One of our sources advises that unlike Volkov's 2006 arrest, this time his prison cell does not feature either a refrigerator or a television set.

¶5. (SBU) Post obtained a recording of the "Chelovek i zakon" segment on DVD from a private clipping service after the management of Channel 1 refused to provide a copy. First asserting that no such segment had been aired, Channel 1 then told embassy the subject (though broadcast nationwide) was

"too sensitive" to share with a foreign embassy.

COMMENTS

¶6. (C) Escapades such as Volkov's are hardly new news. The Russian veterinary service's corruption has been evident for some time (REFS). The pre-election media attention to Volkov's arrest, though, opened the door briefly and allowed us a closer peek than would normally have been the case. However tempting to think so, the Volkov case does not signal any sort of crackdown on corruption. Rather, it demarcates the limits of official corruption that the higher powers will tolerate.

¶7. (C) Our sources in and around the Ministry of Agriculture offer the following analysis and prediction. First, Volkov went too far in soliciting half ownership of an enterprise in return for renewing its operating license. A mid-level official soliciting bribes is one thing; a mid-level official taking over an enterprise is a step too far. As one observer put it, Volkov's extortion attempt was not "po chinu" (in accordance with his rank). Second, Volkov will keep his mouth shut, for he knows that if he repeats his statement of 2006 that he doesn't get to keep most of the money, he will die in prison. It is common knowledge that the money he collected flowed upward to Russian Chief Veterinary Officer Yevgeniy Nepoklonov, then to the head of the veterinary and phytosanitary service, Sergey Dankvert, and so on, all the way to the Kremlin. By pointing the finger at them in public, though, Volkov would seal his own fate.

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